

By Mr. Frank of Boston, petition of James V. Young and Barney Frank that provision be made for payments in lieu of taxes by certain non-profit hospitals and universities. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT PROVIDING FOR PAYMENTS IN LIEU OF TAXES UPON HOSPITALS AND UNIVERSITIES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 58 of the General Laws is hereby amended by inserting
2 after section 17B, the following sections: —

3 *Section 17C.* On or before June first, nineteen hundred and
4 eighty and every year thereafter, the commissioner shall determine
5 the fair cash value as of January first, as hereinafter provided, of
6 every nonprofit hospital and nonprofit institution of higher educa-
7 tion within each city and town in the commonwealth.

8 As used in this section and sections seventeen D through seven-
9 teen G, "non-profit hospital" shall mean any health care institu-
10 tion, including land buildings, structures, improvements or other
11 things appurtenant thereto, providing services to in-patients,
12 whether public or private, which is exempt from taxation pursuant
13 to clause the third of section five of chapter fifty-nine, except for an
14 institution owned or operated by the United States or an institu-
15 tion owned or operated by the United Staes or an institution as to
16 which payments in lieu of taxes are made pursuant to section
17 thirteen, and "non-profit institution of higher education" shall
18 mean any institution engaged primarily in the education of stu-
19 dents beyond the high school level, whether public or private,
20 including land and buildings, structures, improvements or other
21 things appurtenant thereto, which is exempt from taxation pursu-

22 ant to clause the third of section five of chapter fifty-nine, except
23 for an institution owned or operated by the United States or an
24 institution as to which payments in lieu of taxes are made pursuant
25 to section thirteen.

26 The determination of value made under this section shall be in
27 such detail as to lots, subdivisions or acreage as the commissioner
28 may deem necessary. To assist in making such determination the
29 commissioner may require oral or written information from any
30 officer or agent of the commonwealth or of any county or town
31 therein and from any other inhabitant thereof, and may require
32 such information to be on oath. Such officers, agents and persons,
33 so far as able, shall furnish the commissioner with the required
34 information in such form as he may indicate, within fifteen days
35 after being so requested by him.

36 *Section 17D.* The commissioner, not later than June tenth of
37 each year, shall notify the assessors of each town in which a
38 nonprofit hospital or nonprofit institution of higher education, as
39 defined in section seventeen C, is located, of his determination of
40 the value of each such facility in such town. A board of assessors
41 aggrieved by a determination of the value of facility pursuant to
42 section seventeen C may make a written application for a correc-
43 tion thereof to the appellate tax board within ten days after the
44 date of the notice, setting forth the grounds for such application
45 for correction. Not later than July fifteenth following, said board
46 shall, upon the basis of such application or after giving such
47 assessors a hearing, as the board may determine, make a finding
48 whether the commissioner acted in accordance with section seven-
49 teen C. If the board finds that the commissioner failed so to act, it
50 shall thereupon make a determination of value in accordance with
51 section seventeen C and shall notify said board of assessors and the
52 commission of its determination, and its decision shall be
53 conclusive.

54 *Section 17E.* In every year, not later than August first, the
55 commissioner shall deliver to the state treasurer a statement as to
56 the value of each nonprofit hospital and each nonprofit institution
57 of higher education, as defined in section seventeen C, and of the
58 amount of money to be paid in lieu of taxes to each of the towns
59 wherein such facilities are located as determined by the following
60 section.

61 *Section 17F.* The treasurer, in every year, not later than
62 November twentieth, shall reimburse each town in which a non-
63 profit hospital or nonprofit institution of higher education as
64 defined in section seventeen C is located, an amount of money in
65 lieu of taxes upon the value of such facilities as reported to him by
66 the commissioner under the preceding section, determined by
67 multiplying each thousand dollars of valuation or fractional part
68 thereof of each facility by the actual tax rate of the town wherein it
69 is located and dividing the product of such multiplication by four.
70 In the event that the total of such payments to be made in any year
71 exceeds the amount appropriated for the purposes of this section
72 with respect to such year, the treasurer shall reduce the amount
73 payable to each town proportionately.

